

Board of Directors (in Public)

24 July 2025

Agenda Item: 13



Report Title	Financial Performance Report – Month 3 (June)	
Author	Matt Turner, Head of Financial Services Louise Engledow, Deputy Director of Finance	
Accountable Director	Kathryn Vause, Executive Director of Finance	
Previous committees/groups	n/a	
Recommended action(s)	Assurance	
Purpose of the paper	To inform Trust Board of the current financial position as at month 3, period ending 30 June 2025.	
Executive Summary		
<p>The purpose of this paper is to inform the committee of the current financial position as at month 3, period ending 30 June 2025.</p> <p>Revenue Finance Position: At month 3, the Trust is reporting a year-to-date surplus variance to plan of £258k and a forecast break-even position.</p> <p>Capital: Year to date the Trust have spent £6.28m against a plan of £2.53m and are forecasting break-even against the annual capital plan.</p> <p>Efficiencies: Year to date there is an adverse variance of £1.8m. The forecast is break-even against the annual plan.</p>		
Recommendation(s)	It is recommended that the Board note: <ul style="list-style-type: none">the Trust’s financial performance to 30 June 2025.all associated risks.	
Link to Board Assurance Framework Risks (board and level 2 committees only)		12. Secure sufficient revenue resources and use them wisely to ensure value for money.

Financial Performance Report – Month 3 (June)

1.0 SUMMARY

1.1 At month 3, the Trust is reporting a year-to-date surplus variance to plan of £258k and a forecast break-even position.

1.2 Key Financial Metrics:

Income & Expenditure Position:		YTD surplus of £376k against a planned surplus of £118k (YTD favourable variance to plan of £258k) Forecast Outturn - break-even	
Agency Cap:		YTD underspend £833k against cap. FCOT underspend £3.4m against cap.	
Cash:		Month end balance £41.5m	
BPPC YTD:		Volume	Value
	Non NHS	97%	98%
	NHS	97%	99%
Capital:		YTD overspend of £3.7m. Forecast Outturn - break-even	
Cost savings / efficiencies Delivery:		YTD the Trust is reporting under performance against the efficiency plan of £1.8m. Forecast Outturn - to fully achieve	

2.0 MONTH 3 POSITION

2.1 The Trust-wide summary financial position at month 3 is shown below at table 1, with more detail at directorate level shown at table 2.

2.2 Trust Pay budgets reflect a 2.8% pay award as per planning guidance. Pay expenditure includes an accrual in lieu of the pay award.

2.3 The pay award has subsequently been confirmed at 3.6% (3.25% for VSM) and will be transacted in August, back dated to 1 April. It is funded by an 0.68% increase to the block income Cost Uplift Factor (CUF), which covers the additional cost of the payaward.

2.4 Efficiency targets, including vacancy factor, have been distributed across the Trust's budgets. Individual budgets will be updated as efficiency plans are confirmed.

	Year to date (June 25)			Full Year 2024/25		
	PLAN	ACTUAL	VARIANCE	PLAN	ACTUAL	VARIANCE
	£000			£000		
Income	(112,983)	(113,054)	(71)	(451,932)	(451,614)	318
Pay	88,698	88,250	(448)	355,253	353,233	(2,020)
Non Pay	24,167	24,429	261	96,679	98,381	1,702
(Surplus)/Deficit	(118)	(376)	(258)	(0)	0	0

Table 1: Financial Performance at month 3 - Summary Trust Position

- 2.5 The Trust is reporting a forecast breakeven position, having assumed efficiency plans will be developed and delivered by the end of the financial year.
- 2.6 As shown in Table 2 below, as at month 3, the Trust have spent £92k on **Agency** staffing and forecast to spend £255k, which is well within the agency cap.

	Expenditure £000	Forecast Outturn £000
Agency Cap	£ 925	£ 3,700
EOC	£ 1	£ 1
111	£ 16	£ 16
Support Services		
IM&T	-£ 7	-£ 7
Fleet	£ 40	£ 156
Finance	£ 42	£ 89
Total Expenditure	£ 92	£ 255
Variance Deficit/ (Suplus)	(£833)	(£3,445)

Table 2: Agency Expenditure

- 2.7 Summary Directorate Position Month 3 (*Table 3*):

	Year to Date (Apr - June)			Forecast		
	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000
Income (Including MHIS)	(109,040)	(108,858)	183	(436,162)	(436,038)	124
Block Income	(109,040)	(108,858)	183	(436,162)	(436,038)	124
Income	-	-	-	-	1	2
Pay	190	187	(3)	759	638	(120)
Non Pay	2	8	7	7	21	14
Chief Operating Officer	191	195	3	765	660	(104)
Income	(423)	(431)	(8)	(1,694)	(1,729)	(35)
Pay	49,907	49,574	(333)	199,006	199,616	610
Non Pay	12	852	840	48	3,100	3,052
A&E	49,496	49,995	499	197,361	200,988	3,627
Income	-	(82)	(82)	-	(93)	(93)
Pay	8,342	7,167	(1,174)	33,367	32,371	(996)
Non Pay	878	687	(192)	3,512	3,658	146
EOC	9,220	7,772	(1,448)	36,879	35,935	(943)
Income	-	(10)	(10)	-	(10)	(10)
Pay	8,329	8,020	(310)	33,490	32,418	(1,072)
Non Pay	62	225	163	246	889	643
NHS 111	8,391	8,234	(157)	33,736	33,297	(439)
Income	-	(73)	(73)	-	(281)	(281)
Pay	6,361	6,263	(98)	25,520	25,527	7
Non Pay	3,585	3,761	176	14,281	13,719	(562)
Patient Transport Services	9,946	9,951	5	39,801	38,965	(836)
Income	(761)	(776)	(15)	(3,043)	(3,360)	(317)
Pay	3,266	3,289	23	13,066	12,954	(112)
Non Pay	350	268	(83)	1,402	1,628	227
Central Services	2,856	2,781	(75)	11,424	11,223	(202)
Income	-	-	-	-	-	-
Pay	228	218	(9)	884	855	(29)
Non Pay	260	250	(10)	1,039	1,109	70
Mental Health (Non Ops)	487	468	(19)	1,924	1,965	41
Income	(2,758)	(2,823)	(65)	(11,033)	(10,103)	930
Pay	12,571	11,877	(694)	50,298	48,854	(1,445)
Non Pay	18,132	18,255	123	74,497	75,766	1,268
Support Services	27,944	27,309	(636)	113,762	114,517	754
Income	-	-	-	-	-	-
Pay	(496)	1,654	2,150	(1,137)	-	1,137
Non Pay	887	123	(763)	1,646	(1,512)	(3,158)
Reserves	391	1,777	1,387	509	(1,512)	(2,021)
(Surplus)/Deficit	(118)	(376)	(258)	(0)	0	0

3.0 CAPITAL

- 3.1 All funding streams have now been confirmed.
- 3.2 Year to date expenditure is £6.28m against a plan of £2.53m with a further £6.9m of orders raised. The Trust has plans to spend the full allocation and is reporting a break-even position.
- 3.3 Expenditure against the capital plan is summarised below.

OWNED & LEASED ASSETS	M3 YTD (Jun '25)			Full Year Forecast		
Capital Expenditure Analysis 2025-26	Budget	Actual	Variance	Budget	Outturn	Variance
	£'000s			£'000s		
Estates	1,200	506	(694)	6,026	6,026	-
Fleet	1,000	5,432	4,432	15,434	15,434	-
ICT	332	339	7	2,749	2,749	-
Medical Devices	-	-	-	11	11	-
Sub Total Capital Expenditure - Purchased Assets	2,532	6,277	3,745	24,220	24,220	-
Estates	-	-	-	1,618	1,618	-
Fleet	-	-	-	8,477	8,477	-
Sub Total Capital Expenditure - Leased Assets	-	-	-	10,095	10,095	-
TOTAL CAPITAL EXPENDITURE	2,532	6,277	3,745	34,316	34,316	-

Table 4: Capital Expenditure at month 3

4.0 CASH

- 4.1 At 30 June 2025 the Trust holds a cash balance of £41.5m with low borrowings of £2.5m (excluding IFRS16 lease arrangements).

5.0 PAYABLES PERFORMANCE

- 5.1 The table below summarises the monthly and year-to-date Better Payment Practice Code (BPPC) performance. The Trust has achieved value and volume performance targets for the last 3 months.

Monthly BPPC performance - Overall percentage paid within 30 days

Category	Apr-25	May-25	Jun-25	YTD
Invoice Volume	97%	99%	96%	97%
Invoice Value	98%	99%	95%	98%

Table 5: BPPC performance at month 3

6.0 STATEMENT OF FINANCIAL POSITION

	30 Jun 25	31 May 25
	£m	£m
Non-current assets	159.1	159.5
Current assets		
Inventories	2.6	2.6
Trade and other receivables	19.8	17.2
Assets Held for Sale	-	-
Cash and cash equivalents	41.5	42.7
Total current assets	63.9	62.5
Current liabilities		
Creditors - Capital	(5.8)	(6.4)
Creditors - Other	(35.7)	(34.4)
Trade and other payables	(41.5)	(40.8)
Borrowings	(6.8)	(14.7)
Provisions	(1.7)	(1.8)
Other liabilities: deferred income	(0.6)	(0.6)
Total current liabilities	(50.6)	(57.9)
Total assets less current liabilities	172.4	164.1
Non-current liabilities		
Borrowings	(16.4)	(8.4)
Provisions	(6.9)	(6.9)
Total non-current liabilities	(23.3)	(15.2)
Total net assets employed	149.1	148.9
Financed by		
Public dividend capital	95.8	95.8
Revaluation reserve	18.5	18.5
Income and expenditure reserve	34.8	34.6
Total taxpayers' and others' equity	149.1	148.9

Table 6: Statement of Financial Position as at 30th June 2025

7.0 EFFICIENCY PROGRAMME

- 7.1 The Trust now has identified efficiency plans for £19.6m of the £23.1m target, and is confident that full plans will be in place in due course.
- 7.2 The Trust is behind plan in meeting the efficiencies target by £1.8m year-to-date, however, assumes that the full plan will delivered in the year end forecast.

Scheme	YTD (Apr - Jun)			Forecast		
	Plan	Actual	Variance	Plan	Outturn	Variance
<i>Schemes Identified within Financial Plan:</i>						
A&E private providers	873	873	-	3,500	3,500	-
111	372	372	-	1,497	1,497	-
Pathways	423	423	-	1,694	1,694	-
PTS eligibility	304	303	- 1	1,223	1,877	654
NEEF	45	15	- 30	182	152	- 30
OH Contract	9	3	- 6	40	34	- 6
Telematics	142	141	- 1	570	569	- 1
In House facilities management	72	24	- 48	290	242	- 48
NARU	262	261	- 1	1,053	1,052	- 1
Vacancy factor	1,152	1,152	-	4,614	4,614	-
Sub Total	3,654	3,567	- 87	14,663	15,231	568
<i>Schemes Identified Following Plan Submission:</i>						
Operational Services	414	123	- 291	1,657	1,657	-
Chief Exec	24	7	- 17	97	97	-
Corp Affairs, Risk, Legal, IM&T	140	41	- 99	559	559	-
Patient Safety, Quality, Nursing	58	17	- 41	232	232	-
Estates, Finance, Procurement, Fleet	402	119	- 283	1,614	1,614	-
HR, OD, Academy	165	49	- 116	659	659	-
Clinical	22	7	- 15	89	89	-
Sub Total	1,226	363	- 863	4,906	4,906	-
<i>Unidentified CIP: Non Pay</i>	885	-	- 885	3,541	2,973	- 568
TOTAL	5,765	3,930	- 1,835	23,110	23,110	-

8.0 RISKS

- 8.1 A small element of the Efficiency plan remains unidentified, however it is less than 1% of total expenditure. Some schemes are forecast to overdeliver, providing some mitigation.
- 8.2 Where efficiency schemes are clearly identifiable, the associated expenditure reduction has been reflected in the forecast. However, a number of identified schemes are high-risk and may not deliver in full. This would result in a deterioration of the financial position and require other actions to offset this.
- 8.3 Increased demand across our front-line services, which goes beyond our planned seasonal variation could cause further financial pressure, e.g. if overtime/incentives, third party provision need to be maintained or increased to deliver a safe service.
- 8.4 A number of funding streams, both revenue and capital, are dependent upon achieving an agreed level of performance, and may be at risk if actual delivery is lower than planned.

9.0 RECOMMENDATIONS

- 9.1 It is recommended that the Board note:
- the Trust's financial performance to 30 June 2025.
 - all associated risks.